ABSTRACT

Unemployment in West Java Province in 2017-2021 continues to increase from year to year and ironically, the higher the level of education, the higher the number of unemployed people. This is not in accordance with the goals of sustainable development (SDGs). The purpose of this study is to examine the effect of education, and minimum wages, on the open unemployment rate in West Java Province in 2017-2021.

The analytical method used in this study is panel data analysis using the Fixed Effect Model (FEM) method. The data used in this study is panel data with cross-sectional data from 27 regencies/cities in West Java Province, while time series data is from 2017-2021.

The results of the study show that simultaneously the two independent variables, namely education and the minimum wage, have a significant effect on the open unemployment rate. Meanwhile, partially, education has a negative and significant effect on open unemployment, while the minimum wage has a positive and significant effect on open unemployment in West Java Province.

Keywords: Open Unemployment, Education, Minimum Wage, Fixed Effect Model